#### REMARKS

Claims 1-11 and 15 are all the claims pending in the application. By this Amendment, claim 14 is canceled without prejudice or disclaimer.

## Allowable Subject Matter

Applicants thank the Examiner for indicating that claims 2-7, 14, and 15 would be allowed if rewritten in independent form. Accordingly, Applicants amend claim 1 to include the features of claim 14 by this Amendment. Therefore, the application is placed in immediate condition for allowance, as discussed in further detail below.

# Claim Rejections - 35 U.S.C. § 112

Claims 9 and 10 are rejected under 35 U.S.C. § 112, first paragraph as allegedly failing to comply with the written description requirement. In particular, the Examiner contends that there is no support in the Specification for "storing the extracted edges in a recording medium", as set forth in claims 9 and 10. See Office Action, page 4. Applicants respectfully disagree.

For example, in order for the claimed method to function, it would have to be <u>stored</u> and executed on <u>hardware</u>. For *at least* this reason, it would be obvious to a skilled artisan that the inventor had possession of the claimed invention as set forth in claims 9 and 10 at the time the application was filed. Therefore, claims 9 and 10 comply with the requirements of 35 U.S.C. §

Furthermore, Applicants note that MPEP § 2163 states that:

A description as filed is presumed to be adequate, unless or until sufficient evidence or reasoning to the contrary has been presented by the examiner to rebut the presumption. See, e.g., In re Marzocchi, 439 F.2d 220, 224, 169 USPQ 367, 370 (CCPA 1971). The examiner, therefore, must have a reasonable basis to challenge the adequacy of the

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written description. The examiner has the initial burden of presenting by a preponderance of evidence why a person skilled in the art would not recognize in an applicant's disclosure a description of the invention defined by the claims. Wertheim, 541 F.2d at 263, 191 USPQ at 97. In rejecting a claim, the examiner must set forth express findings of fact regarding the above analysis which support the lack of written description conclusion. These findings should:

#### (A) Identify the claim limitation at issue; and

(B) Establish a prima facie case by providing reasons why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed in view of the disclosure of the application as filed (emphasis added).

Here, the Office Action fails to satisfy at least the second requirement for supporting a written description rejection. Specifically, there is no reasoning provided in the Office Action as to why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed (e.g., "storing the extracted edges in a recording medium") in view of the disclosure of the application as filed.

As such, because (1) it would be obvious to a skilled artisan that the inventor had possession of the claimed invention, and (2) the Office Action does not set forth any express findings of fact that would support the lack of written description conclusion, Applicants respectfully submit that the claims comply with the requirement of 35 U.S.C. § 112.

### Claim Rejections - 35 U.S.C. § 101

Claims 9 and 10 are rejected under 35 U.S.C. § 101 as allegedly not being directed to statutory subject matter. In particular, the Examiner asserts that the claimed subject matter does not produce a useful and tangible result. See Office Action at pages 5-7.

In view of the amendments to claims 9 and 10, Applicants respectfully submit that the claims comply with the requirements of 35 U.S.C. § 101. For example, Applicants respectfully submit that claims 9 and 10 produce a <u>useful</u> result. Claims 9 and 10 recite <u>inserting</u> a

watermark in portions of a frame from which the edges were extracted. As it is correctly pointed out in the Office Action, in an exemplary embodiment of the present invention, the utility is directed to inserting a watermark into an image.

Moreover, since it has been shown above that claims 9 and 10 comply with the written description requirement, Applicants respectfully submit that the claims also produce a tangible result (e.g., the extracted edges stored on a recording medium)<sup>1</sup>.

Accordingly, withdrawal of the 35 U.S.C. § 101 rejection is respectfully requested.

## Claim Rejections - 35 U.S.C. § 103

### Claims 1, 8, and 11

Claims 1, 8, and 11 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 6,535,617 to Hannigan *et al.* ("Hannigan") in view of U.S. Patent No. 6,061,793 to Tewfik *et al.* ("Tewfik").

Applicants do not acquiesce to this rejection. In order to expedite prosecution, however, claim 1 has been amended to include the features of claim 14. The Examiner has already indicated that the features of claim 14 are allowable, as noted above. Accordingly, the prior art rejection of claims 1, 8, and 11 is rendered moot.

<sup>&</sup>lt;sup>1</sup> The Examiner was not taking this feature into account under the § 101 rejection.

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Claims 9 and 10

Claims 9 and 10 are rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 6,954,549 to Kraft in view of Hannigan. For at least the following reasons, Applicants respectfully traverse the rejection<sup>2</sup>.

Applicants submit that claim 9 is patentable over the alleged combination of Kraft and Hannigan. For example, claim 9 recites a spatial masking method for use in watermarking a moving picture, comprising extracting edges from the contrast-adjusted frame, and inserting a watermark in portions of the contrast-adjusted frame from which the edges were extracted. The Examiner contends that col. 2, lines 6-15, and lines 40-48 of Kraft disclose extracting edges from a contrast-adjusted frame. Applicants submit that Kraft alone, or in combination with Hannigan, does not teach or suggest all the features of claim 9.

For example, in response to the arguments submitted in the previous Amendment, the Examiner alleges that Kraft discloses extracting edges of a frame by teaching that the detailed contrast of an image is determined on the basis of an image subject to a removal process, and thus, edges of an image are addressed by pixels and are subject to a removal or extraction process. See Office Action, page 4, paragraph 9.

However, even assuming arguendo that Kraft discloses extracting the edges as set forth in claim 9, Kraft does not disclose inserting a watermark in portions of the contrast-adjusted frame from which the edges were extracted. Rather, Kraft discloses that in the masked regions

<sup>&</sup>lt;sup>2</sup> Applicants note that claims 12 and 13 are also addressed in the Office Action on page 11. Applicants respectfully submit that since claims 12 and 13 are canceled, the rejection thereto is rendered moot.

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(allegedly the extracted edges), <u>correction</u> of the photographic image data is carried out (Kraft, col. 2, lines 50-53). Hannigan is only relied upon for teaching a moving image and spatial

masking. See Office Action at page 10.

Therefore, Applicants respectfully submit that claim 9 is patentable over Kraft,

Hannigan, or any conceivable combination thereof.

Claim 10 recites features similar to those discussed above with respect to claim 9.

Therefore, claim 10 is patentable for at least reasons similar to those given above with respect

to claim 9.

Conclusion

In view of the above, reconsideration and allowance of this application are now believed

to be in order, and such actions are hereby solicited. If any points remain in issue which the

Examiner feels may be best resolved through a personal or telephone interview, the Examiner is

kindly requested to contact the undersigned at the telephone number listed below.

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The USPTO is directed and authorized to charge all required fees, except for the Issue

Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any

overpayments to said Deposit Account.

Respectfully submitted,

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